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**TESTIMONY OF**  
**THE CONNECTICUT COALITION OF PROPERTY OWNERS**  
**BEFORE**  
**THE LEGISLATURE'S INSURANCE & REAL ESTATE COMMITTEE**  
**TUESDAY, January 25, 2011**  
**1PM, ROOM 2B LEGISLATIVE OFFICE BUILDING**

Good afternoon. My name is Marshall R. Collins. I am the Counsel for Government Relations for the Connecticut Coalition of Property Owners ("CCOPO"). CCOPO supports:

**HB 5031 AA Increasing The Maximum Allowable Security Deposit Amount,**  
**And**  
**HB 5437 AAC Security Deposits.**

The Connecticut Coalition of Property Owners is the largest landlord organization in Connecticut and has several chapters, including the:

- Bridgeport Property Owners' Association,
- Greater Hartford Property Owners' Association;
- Stamford Property Owners' Association, and the
- Connecticut Association of Real Estate Investors.

Collectively, our members own more than 25,000 rental units throughout Connecticut.

**CCOPO supports HB 5437.**

HB 5437 would remove the floor on the interest rate that must be paid on tenant security deposits. Neither landlords nor tenants should realize a windfall from these deposits. Lines 63-71 of HB 5437 retain the formula for requiring landlords to pay the going rate of interest on such deposits. They should not have to pay in excess of that, which is what happens under the current law with the floor of 1.5%. The interest formula, without the floor, is fair to both landlords and tenants. Thus HB 5437 should be adopted.

**CCOPO supports HB 5031.**

HB 5031 would increase the maximum security deposit from 2 to 3 months' rent. This should be a landlord option. Be assured that the market will not allow a 3 month security deposit on many properties. However, in circumstances where the landlord is subject to increased exposure, the amount is not inappropriate. High vacancy rates allow tenants to choose not to pay excessive security deposits. HB 5437 and HB 5301 recognize the increased costs and risk associated with rental properties in today's economy. Both are fair and reasonable bills. They should be passed.

This completes my testimony. Thank you for your consideration.